

SECOND SESSION—TWENTY-SECOND PARLIAMENT

1955



Joint Committee of the Senate and the House of Commons

ON

# CAPITAL AND CORPORAL PUNISHMENT AND LOTTERIES

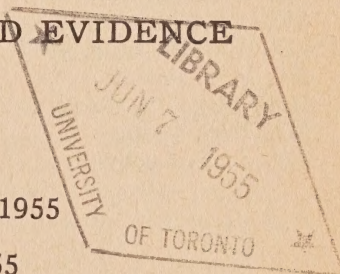
*Joint Chairmen:*—The Honourable Senator Salter A. Hayden  
and  
Mr. Don F. Brown, M.P.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 15

THURSDAY, APRIL 28, 1955

TUESDAY, MAY 3, 1955



WITNESSES

*Representing the Canadian Welfare Council's National Committee of the Delinquency and Crime Division:* The Reverend D. B. Macdonald, Chairman; Hull Police Chief J. A. Robert, Member; and Mr. W. T. McGrath, Secretary.

*From Montreal Police Department:* Mr. Pacifique Plante, Assistant Director.

*Appendix:* Excerpt from Decision No. 41415 before the Public Utilities Commission of the State of California, dated April 6, 1948.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
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Mr. A. R. Lusby	

A. Small,  
*Clerk of the Committee.*



## MINUTES OF PROCEEDINGS

THURSDAY, April 28, 1955.

The Joint Committee on Capital and Corporal Punishment and Lotteries met at 10.00 a.m. Mr. Don. F. Brown, Joint Chairman, presided.

*Present:*

*The Senate:* The Honourable Senator Hodges—1.

*The House of Commons:* Messrs. Brown (*Essex West*), Cameron (*High Park*), Fairey, Leduc (*Verdun*), Mitchell (*London*), Montgomery, Murphy (*Westmorland*), Shipley (Mrs.), Thatcher, Thomas, and Winch—11.

*In attendance:*

*Representing The Canadian Welfare Council's National Committee of the Delinquency and Crime Division:* The Reverend D. B. Macdonald, Chairman; Hull Police Chief J. A. Robert, Member; and Mr. W. T. McGrath, Secretary.

*From the Montreal Police Department:* Mr. Pacifique Plante, Assistant Director.

*Counsel for the Committee:* Mr. D. G. Blair.

The Honourable Senator Hodges assumed Joint Chairmanship for the day representing the Senate.

Mr. Macdonald presented the Council's amended brief on restriction of lotteries and gambling, copies of which were provided to all present in lieu of an earlier brief distributed in advance. The brief presented was read by Mr. McGrath and was supplemented by statements from Mr. Plante and Mr. Robert.

The witnesses were questioned on their representations, with particular regard to: (1) importation and distribution of sweepstakes tickets, (2) the provision of communications equipment and facilities to gambling establishments, and (3) difficulty of interpretation and enforcement of the law respecting bingo games and other questionable forms of gambling by chartered or incorporated clubs.

During the course of the questioning period, the Committee agreed that the text of the California legislation respecting responsibility for the use of the facilities of communications systems be printed as an Appendix to this day's proceedings. (*Amended—See Minutes for May 3, 1955.*)

The presiding Chairman expressed the Committee's appreciation to the delegation for their presentations.

The witnesses retired.

At 12.45 p.m., the Committee adjourned to meet again as scheduled.

TUESDAY, May 3, 1955.

(*Held In Camera—No Evidence Taken*)

The Joint Committee of the Senate and the House of Commons on Capital and Corporal Punishment and Lotteries met at 10.00 a.m. *in camera*. The Joint Chairman, Mr. Don. F. Brown, presided for the initial stage of the proceedings.



*Present:*

*The Senate:* The Honourable Senators Aseltine, Fergusson, and Hayden—3.

*The House of Commons:* Miss Bennett, Messrs. Boisvert, Brown (*Brantford*), Brown (*Essex West*), Cameron (*High Park*), Fairey, Garson, Leduc (*Verdun*), Mitchell (*London*), Montgomery, Shipley (Mrs.), Thatcher, Thomas, and Winch—14.

*In attendance:* Mr. D. G. Blair, Counsel to the Committee; and an interviewer who had assisted Mr. Blair in interrogating ex-prisoners respecting corporal punishment.

On motion of the Honourable Senator Aseltine, the Honourable Senator Fergusson was elected Joint Chairman *pro tem* on behalf of the Senate.

The presiding Chairman notified the Committee of a letter receiver from Mr. Cameron, a member of the Committee, dated April 28, 1955, requesting reconsideration of the question previously rejected of hearing evidence from an executioner. The said letter was read by the Clerk of the Committee. After discussion, on motion of Mr. Cameron, seconded by Mr. Thatcher, on division (Yeas, 10; Nays, 2), it was

*Resolved*,—That, whereas it has been decided to take evidence on alternative methods of execution, arrangements be made to attempt to obtain direct evidence *in camera* on the existing method used in Canada, and that the arrangements for the hearings and the procedure to be followed be as outlined at this day's *in camera* meeting.

The Honourable Senator Hayden, Joint Chairman, assumed the Chair as presiding Chairman for the latter stage of the proceedings.

The Committee discussed the evidence given on April 28 by Mr. Pacifique Plante, Assistant Director of Montreal Police Department, respecting importation of sweepstakes tickets. It was agreed that Counsel to the Committee confer with officials of the departments of government concerned and report thereon to the Committee.

The Committee also agreed that a decision before the Public Utilities Commission of the State of California, U.S.A., be printed as an Appendix to the Committee's proceedings of April 28 in lieu of the legislation referred to on that date in the brief of the Canadian Welfare Council respecting use of communications systems by gambling establishments.

Counsel to the Committee, assisted by an interviewer, reported on the *verbatim* evidence he had been instructed to take *in camera* from ex-prisoners who had received corporal punishment. The Committee agreed: (1) That the said *verbatim* evidence not be appended to the Committee's proceedings but that a report by Counsel summarizing the said evidence be prepared for submission to the subcommittee for consideration as to ultimate printing as an Appendix to the proceedings; and (2) That no further evidence of this nature be taken.

The Committee agreed that the Joint Chairmen make an appropriate release to the Press on today's proceedings.

At 1.05 p.m., the Committee adjourned to meet again as scheduled.

A. Small,  
Clerk of the Committee.



## EVIDENCE

THURSDAY, April 28, 1955.

10:00 a.m.

The PRESIDING CHAIRMAN: Would you kindly come to order, ladies and gentlemen. Would Senator Hodges please take the chair for the day representing the Senate?

Hon. Mrs. HODGES: I suppose there is no alternative, if there is not another senator here.

The PRESIDING CHAIRMAN: We would not want another one.

Hon. Mrs. HODGES: Thank you. I thought you would rise to the occasion.

The PRESIDING CHAIRMAN: Today we are to hear from the Canadian Welfare Council and from Mr. Pacifique Plante of Montreal.

The witnesses today are the Reverend D. B. Macdonald of Ottawa, Chairman of the National Committee (the controlling body) of the Delinquency and Crime Division of the Canadian Welfare Council.

We also have Mr. J. A. Robert, Police Chief of Hull, who has appeared before the committee before. And by the way, the Reverend Mr. Macdonald has also been before the committee previously. Mr. Robert is also a member of the National Committee of the Delinquency and Crime Division of the Canadian Welfare Council.

In addition we have Mr. W. T. McGrath of Ottawa, Secretary of the Delinquency and Crime Division of the Canadian Welfare Council.

And lastly, we have Mr. Pacifique Plante, Assistant Director of the Police Department of the City of Montreal. Mr. Plante is a lawyer and served for nine years as crown attorney in Montreal. He was at one time special prosecutor for the morality squad of the Montreal Police Department, and was then appointed Acting Director of Police in charge of the morality squad. Later he acted as special prosecutor in the probe of corruption of the Police Department and city government of Montreal, carried out before Justice Caron. In 1954 he assumed his present position as Assistant Director of the Montreal Police Department.

Perhaps, for purposes of identification I might ask the witnesses to rise so that we may see who they are: The Rev. Mr. Macdonald, Mr. Robert, Mr. Plante and Mr. McGrath.

I believe there are two separate briefs to be presented, that of the Canadian Welfare Council and that of Mr. Plante. Who is to speak to the Canadian Welfare Council brief? I believe it is to be you, Mr. Macdonald?

Mr. PACIFIQUE PLANTE: I have no brief, Mr. Chairman. I shall make a personal presentation.

The PRESIDING CHAIRMAN: That will be fine.

The Rev. Mr. Macdonald will speak to the presentation of the Canadian Welfare Council. I think you have the Council's brief in front of you. Are there any of you who have not a copy of the brief?

By the way, there is a new brief; there are some amendments to the original brief. So make sure that you have the newest copy of the brief.

Now, Mr. Macdonald.

The Rev. D. B. MACDONALD: Mr. Chairman, I wonder if Mr. McGrath might be permitted to point out the slight changes which have been made in the brief, so that they will be made quite clear to all.



The PRESIDING CHAIRMAN: That will be fine.

Mr. W. T. McGRATH: Yes, Mr. Chairman, there are two changes. The first appears on page 5, the lines immediately following the underlined portion of Recommendation II.

The amended brief now reads:

Games of chance include such things as bingo games. The difficulty of interpreting the law as it stands is illustrated by the variations that exist in different parts of Canada.

There is a slight re-wording there from the earlier brief.

The next change appears on page 6 as part of Recommendation III. The present recommendation reads:

The Canadian Welfare Council recommends that if raffles are to be permitted . . .

The earlier brief said: "Games of chance"; but that was changed, because our recommendation II would do away with games of chance. Therefore it would not appear reasonable to suggest how they be handled if they existed. So the brief now reads:

The Canadian Welfare Council recommends that if raffles are to be permitted for charitable or other non-profit purposes the value of the prizes involved should be kept small, . . .

The earlier brief read:

"The amount of money involved"; but we changed that, because prizes might not have been cash prizes. In the rest of the section "Games of chance" has been changed to "raffles". These are the only changes.

The PRESIDING CHAIRMAN: Thank you very much, Mr. McGrath.

Mr. MACDONALD: Now, Mr. Chairman, if I might just ask as a point of information, would you care to have this brief read or will we just deal with the four major recommendations that are presented?

The PRESIDING CHAIRMAN: It is very short, and I think it might be satisfactory if you would read the brief and then make some comment on it as you go along, or when you have completed the reading of the brief. Is that agreeable to the committee?

Hon. MEMBERS: Agreed.

Mr. MACDONALD: Mr. McGrath has a loud public speaking voice; may I ask him to read?

Mr. McGRATH: It is a pleasure, Mr. Chairman:

The Canadian Welfare Council believes that wide-scale gambling can have detrimental social effects and we welcome the appointment of a parliamentary committee to study what extension or restriction of legalized gambling in Canada is indicated. At the same time the work of the parliamentary committee will clear up the present confusion as to what gambling is now legal under the provisions of the Criminal Code.

In preparing this brief, the Canadian Welfare Council sent questionnaires to (a) the chief constables of a number of Canadian cities and (b) to provincial directors of correctional programs and executive directors of prisoner aid agencies.

#### Definition of Gambling

Gambling is difficult to define. Many people condone it on the grounds that everything we do is a gamble, even life itself. In particular, stock market investment and other business ventures are said to be as risky and unpredictable as betting on a horserace. However, there is a recognizable difference



between the ordinary risks of life and business and the created risks of gambling. Gambling may be defined as the unnecessary risking of money in some scheme, the outcome of which is left purely to chance, and where gain on the part of one is dependent on loss on the part of others.

### Social Effects of Gambling

The only gambling that takes place in many sections of Canada consists of small church bazaars or similar undertakings intended to raise money for charitable purposes. People who have only this experience to guide them are often prepared to support the extension of legal gambling. However, the experience of those cities where large-scale gambling exists has been different, and suggests that the social evils that accompany such gambling can be very serious.

Gambling represents a way of obtaining wealth without giving anything in return. It teaches the young to look for an easy way to earn a living rather than by hard work, and in this way can undermine habits of thrift.

Often the people who engage in gambling are those who can least afford the financial loss. Even a few dollars a night lost in a bingo game can represent a serious strain on the family budget of low income groups. It must be kept in mind that games of chance are conducted for the profit of the promoters and, although individual players may win, the players as a group must lose.

However, the most serious objection to gambling is the connection between gambling, gangsters, and political corruption. Where gamblers are in control law enforcement is impossible. This fact has been brought out in a number of studies of the problem carried out in the United States. In particular we would recommend the following studies.

- (a) United States. *Senate Committee Reports on Crime*. (Kefauver) superintendent of documents, Washington, 1953.
- (b) Peterson, Vergil W. *Gambling—Should It be Legalized?* Chicago Crime Commission, 79 West Monroe Street, Chicago 3, Ill. 1951. (Obtainable in Canada from Ryerson Press, Toronto.)
- (c) Arn, Walter. *Pay-Off*. New York: Appleton-Century-Crofts Co., 1951.

There has been only one such study in Canada;

Plante, Pax. *Montreal sous le règne de la pègre. Montreal Under Control of the Underworld*. Montreal; La Ligue d'Action nationale, 422 est, rue Notre-Dame, Montreal, 1950.

Further legalizing of gambling will do nothing to meet this problem. There is no reason to expect better enforcement under new laws making further forms of gambling legal. The alternative of no control whatever on gambling is obviously unacceptable.

In reply to our questionnaire, twenty-one out of twenty-six chief constables, and seven out of eleven of the people engaged in treatment services, expressed the opinion that gambling is a contributing factor to crime.

### Lotteries

*Recommendation I. The Canadian Welfare Council recommends that there be no legalization of lotteries, under either government or private auspices.*

Lotteries probably reach more people than any other form of gambling, and offer prizes larger than any other form. Because of its very size it is probably the most dangerous form of gambling. The experience of other countries, among them England and the United States, has shown that lotteries can exert a most harmful influence.



Lotteries are an uneconomical way to raise money. Estimates of the proportion of the money raised by the sale of tickets in the Irish Sweepstakes that reaches the Irish hospitals run from twelve to eighteen per cent. Using even the most favourable figure, this would mean that if we wanted to raise \$200,000 for some charitable purpose, we would have to take \$1,000,000 from the public.

There is also the danger of counterfeiting. A large proportion of the so-called Irish Sweepstakes tickets seized by the police in this country are counterfeit. Conducting the lotteries under government auspices would not avoid this danger. It has proved impossible to prevent the counterfeiting of currency despite the extreme precautions taken, and it would be more difficult to control the counterfeiting of lottery tickets.

#### Games of Chance

*Recommendation II. The Canadian Welfare Council recommends that Section 168 of the Criminal Code be amended by deleting sub-sections (2) and (3).*

Games of chance include such things as bingo games. The difficulty of interpreting the law as it stands is illustrated by the variations that exist in different parts of Canada. For instance, in the cities of Winnipeg and Quebec no bingo games are permitted, while in some other cities games organized by religious or welfare groups are permitted if the prizes are small. In many Ontario cities bingo has become big-time gambling with prizes worth several thousands of dollars being offered.

The chartered or incorporated clubs present a special problem. These clubs often carry on illegal gambling behind closed doors, and are often under the control of professional gamblers. Of the sixteen chief constables who stated that these clubs are operating in their city, ten stated they suspected illegal gambling, and nine thought professional gamblers were in control. Because these clubs are permitted to collect some money from the players, the police have great difficulty proving more than the legal amount is being collected.

Many of these difficulties are due to the amendment to the Criminal Code that was introduced in 1938, and repeal of this amendment is advocated.

#### Raffles

*Recommendation III. The Canadian Welfare Council recommends that if raffles are to be permitted for charitable or other non-profit purposes the value of the prizes involved should be kept small, and there should be one law regulating them that applies to the whole country.*

It is important that the amount of money involved in a raffle be kept small. This lessens the temptation to criminal elements to take over control. There should also be a provision in the law that makes it illegal for any individual or group of individuals running a raffle on behalf of a charitable organization to profit from the game. All proceeds should go to the charity involved.

The right to authorize raffles for charitable or other non-profit purposes should not be given to either provincial or municipal authorities. It is better to have one law governing raffles that applies to the whole country than to have variations from province to province or from municipality to municipality. However, every organization running a raffle for charitable or other non-profit purposes should be required to register with the municipal authorities.



*Recommendation IV. The Canadian Welfare Council recommends that section 171 of the Criminal Code be amended by deleting subsection (6).*

This sub-section extends protection to the telegraph and telephone companies by forbidding the police to seize equipment owned by the companies found in gambling establishments during a raid. Gambling syndicates cannot operate effectively without communication facilities, and if this protection were removed the telegraph and telephone companies might take more care to see that their equipment is not used by gambling syndicates.

In the State of California legislation is in force that holds the communications companies responsible if their equipment is used by the syndicates, and the report of the Kefauver committee recommended extension of this legislation to other states.

Mr. MACDONALD: Now, Mr. Chairman, how would you like us to proceed from here?

The PRESIDING CHAIRMAN: Would you like to make any further comment upon your brief, or would you like to have questions submitted to you and make comments at that time?

Mr. MACDONALD: We feel it will be more helpful for the committee if you were to question us. We have some very interesting members on our delegation here who I am sure would have information for you if you would like to ask for it.

The PRESIDING CHAIRMAN: That will be in order. We shall submit questions, then, and if you think of anything which you would like to interject, please feel free to do so at any time. Is that course agreeable to the committee? Very well, we will start today at the other side of the table—Mr. Mitchell (London).

Mr. MITCHELL: I have no questions to ask at the moment.

The PRESIDING CHAIRMAN: If you should have a question subsequently, feel free to ask it.

Mr. FAIREY: Mr. Chairman, there is a reference here to the abolition of certain sections of the Criminal Code and my memory does not serve me well enough for me to be able to remember just what these sections are. On page 5, I see there is a recommendation that section 168 of the Criminal Code be amended by deleting subsections (2) and (3) and so on. Perhaps the witness might indicate what these sections refer to.

Mr. BLAIR: Mr. Chairman, these are sub-sections of the old code section number 226, which were referred to extensively last year. Section 168 deals with disorderly houses, gaming houses and betting houses and in effect prohibits the keeping of gaming houses. However, there is an exception which is contained in subsection (2) of section 168 which provides in effect that a place is not a common gaming house if it is occupied by a bona fide chartered club as a social club and if the whole or any portion of the bets or the proceeds are not directly or indirectly paid to the keepers of the house and if no fee in excess of ten cents an hour or 50c. a day is charged by the club for the privilege of taking part in the game. This subsection was enacted in 1938. In addition this section also provides that a place is not a common gaming house while it is actually being used by a charitable or religious organization for the purpose of playing games for which a direct fee is charged to persons for the privilege of playing and if the proceeds are to be used for charitable purposes. Under this second exempting provision the large bingo games operating in some parts of this country are deemed to be legalized.

Mr. MACDONALD: I wonder if Chief Robert could speak on that section now?

The PRESIDING CHAIRMAN: Do you wish to comment on that Chief Robert—or would you prefer to wait for questions to be asked?

Mr. ROBERT: I would prefer to answer questions.



Mr. THATCHER: I would just like to ask Mr. Macdonald or one of the other witnesses whether recommendation number I in the brief would mean that they were opposed even to agricultural fairs having the degree of exemption which they have under the present Act.

Mr. MACDONALD: No. I do not think the regulations as they apply to agricultural fairs present any difficulty to us. What we are concerned with is the legalizing of large lotteries across the country.

Mr. THATCHER: So you are not recommending in your brief or anywhere else that the agricultural fairs should not be permitted to hold these things?

Mr. MACDONALD: No. Further along in the brief, Mr. Thatcher, we are asking that in the case of raffles which are to be permitted for charitable and other such purposes the value of the prize should be kept small.

The PRESIDING CHAIRMAN: For the purpose of getting the record straight would you please, before answering a question, give me an opportunity to announce the name of the member who is asking it?

Hon. Mrs. HODGES: Mr. Thatcher asked if this would apply to fairs. We had a suggestion that an exhibition in Vancouver should be allowed to sell tickets beforehand—a drawing was to take place and a prize given. Would you object to that?

Mr. ROBERT: Although our brief does not deal with that problem, I can only offer the committee my personal opinion on this matter. Personally I would be strongly opposed to the pre-sale of tickets outside the ground itself.

Hon. Mrs. HODGES: So long as there is a drawing attached to it?

Mr. ROBERT: Definitely.

The PRESIDING CHAIRMAN: Would any other members of the committee like to make comment on this?

Mr. THATCHER: I would like Mr. Robert to go a little further. The Pacific National Exhibition delegation wanted advance sales of tickets for "rain" insurance. Would you explain the reasons why you think this practice would be dangerous?

Mr. ROBERT: It is dangerous for several reasons, it is a question of general principle. The sellers who sell these tickets do it on a percentage basis and, furthermore, it is more or less a gamble because if a person buys a strip of tickets he does not have to attend the fair; he only has to sign his name on the back of each one of the tickets. Anybody from his family can drop them in the box as they go in there. It is not a matter of taking a ticket. It is taking part in a gamble rather than actually going to the fair. I admit that it is a source of revenue, in the same way as it has been to organizations such as charitable groups and social clubs in the past.

Mr. THATCHER: Do you think there might be many people who would buy tickets just to help the fair rather than for the sake of gambling?

Mr. ROBERT: There might be, sir, but the percentage is so low that I do not think it would mean anything to the fair itself.

Hon. Mrs. HODGES: It has been proved by the organization that it makes a difference to the attendance, though.

Mr. ROBERT: If they count the number of tickets sold. Not in the attendance itself.

Hon. Mrs. HODGES: They made it pretty clear that the attendance itself is a very large figure.

Mr. ROBERT: If we take local figures, I believe the attendance has been higher in Ottawa here since the pre-sale of tickets on the streets was prohibited.

The PRESIDING CHAIRMAN: What you are saying is that the pre-sale of tickets does not really mean a thing to the attendance at the fair?



Mr. ROBERT: Not from my point of view.

Mr. LEDUC (*Verdun*): I believe that by buying their tickets beforehand people receive five tickets for the price of four. Am I right in that?

Mr. ROBERT: Yes.

Mr. LEDUC: If there was no draw attached to the tickets, you would have no objection whatsoever to this?

Mr. ROBERT: To selling five tickets or ten tickets for the price of four? I would have no objection whatever provided that there was no prize drawing or raffle attached to the sale of the tickets.

Mr. LEDUC: How many dollars are raised each year from the Canadian people by the sale of tickets in the Irish sweepstakes and in other sweepstakes? Does that appear in the statistics?

Mr. ROBERT: No, I have no figures on that. Perhaps my friend has.

Mr. PLANTE: We tackled the problem of the Irish sweepstake for the first time this year in Montreal. In one raid I think we seized half a million dollars.

The PRESIDING CHAIRMAN: You mean half a million dollars worth of tickets?

Mr. PLANTE: Absolutely. At the same time we seized some of the accounts and the lists of the sellers across Canada. My squad has been so busy that all our activity has been aimed at curbing these practices and we have not gone into the statistics. But we can see from *prima facie* evidence that it is a tremendous business. We have got possession of little booklets in which all their agents across Canada are listed; we know how they had phoney names and how they could send telegrams in certain codes. It involves millions of dollars, there is no doubt. If I had thought that the committee would have asked me such a question, I certainly could have gathered the information in Montreal. The same thing applies in the case of the Army and Navy sweepstakes. I have no doubt that, if these lotteries have been going on in the city of Montreal, it is because there was a "pay-off" somewhere. That is what we are after—the grafters. Eliminate the grafters and you eliminate these encroachments on the Criminal Code.

Hon. Mrs. HODGES: Are you making the point, Mr. Plante, that if you could eliminate the grafters you would not object to people buying lottery tickets?

Mr. PLANTE: Oh, no, I am against the principle. I have very little—as you say—technical knowledge, unfortunately. My knowledge has been practical. I have been crown Attorney in the Municipal Court and that is where the poor people come. They come for all kinds of cases, but a lot of them—and I specialized for a few years in non-support cases—are wives whose husbands had failed to support them. I have seen thousands and thousands of them in those years. I would say I have seen an average of about ten a day and I think that in 95 per cent of the cases we had this support problem. The husband would have a good job and he would be brought into court because he was not providing for his family—he was not paying the rent; he was not buying the groceries. Then I used to enquire how much the husband earned: the reply would be: "oh, he earns quite a good salary. He spends it at the bookies or at the barbotte." That was the answer I usually received.

Mrs. SHIPLEY: What is the barbotte?

Mr. PLANTE: It is a fast dice game.

Mr. LEDUC: Going back to the subject of lotteries. Are you saying that several millions of dollars are raised each year across Canada?

Mr. PLANTE: Yes.

Mr. LEDUC: As a method of preventing such illegal sales as you have referred to, do you not think it might be feasible to have a national lottery controlled by the central government as they have in Ireland, England and France?



Hon. Mrs. HODGES: England does not have it.

Mr. PLANTE: In France . . .

Hon. Mrs. HODGES: England does not . . .

Mr. LEDUC: I will withdraw "England".

The PRESIDING CHAIRMAN: But France has withdrawn national lotteries.

Mr. McGRATH: They restarted them a few years ago.

Mr. LEDUC: For educational and public purposes.

Mr. PLANTE: I think your question was whether lotteries should be legalized in order to cope with the lotteries and discourage illegal lotteries. I think that the laws as they are, can be enforced by the police if the police are free. That is my personal experience from being in charge of morality in the city of Montreal. For the first time I am free and there is no interference whatever, and I have no difficulty whatever in stamping out lotteries. They have to publicize and they have to have sellers and the moment you have a seller you can be sure that one of the tickets gets into the hands of some of my men and then, instead of doing as was done in the past—arresting 5,000 people a year for having a little lottery ticket in their possession—we always "go to the top" now every time such a thing is possible. We even seize a printing plant. In 1948 we seized eight printing plants in the city of Montreal, and that really hurt. I remember one Mr. Pepin in Montreal who had been running a lottery for, maybe, 15 years. This particular printing plant had been going so long that the hardwood floor around the machine was all worn out. When he came to court, he said in spite of his lawyer: "I don't understand what Mr. Plante is doing to me. I always did what I had to do with the police and I am willing to do it for him, too, but if Mr. Plante does not want any more of it, it can't go on, it is impossible." And it was not possible. The law can be enforced. I will not believe anybody who tells me it cannot be enforced if the police are free.

Mr. THATCHER: You are opposed to a national lottery?

Mr. PLANTE: Yes, on the basis that gambling is detrimental to the population as a whole.

Mr. LEDUC: In order to avoid so much money being sent to other countries, do you not think it would be advisable to keep the money in Canada?

Mr. PLANTE: Yes, Mr. Leduc, if we were to tolerate lotteries which, in themselves, are a great scandal. If you tolerate the violation of a statute, it is certainly a major scandal and is detrimental in its effect not only in this sphere of lotteries but in the whole field of the enforcement of any law, and, if, as in the past, we tolerate, let us say, the Irish sweepstake, which is illegal according to our Criminal Code, we might just as well legalize it. But we do not have to tolerate it, we do not have to have millions of dollars going out of the country. It is only because they were tolerated and "paying off". I do not have legal proof that they were "paying off" but I have proof satisfactory to myself that those running lotteries in the city of Montreal were willing to pay.

The PRESIDING CHAIRMAN: To whom?

Mr. PLANTE: To the police. Nobody else. Of course, the police are dependent on the practices of the administrative committee. You can take two attitudes in the city of Montreal—you can say "I am a police officer and don't take any instructions other than the law. If the city administration wants to come in and say "you buy 200 cars", or spend money in such a way, that is all right but, as far as the enforcement of the law is concerned, you could say "my oath of office was to uphold the law and I will not listen to anything else". That is all right. But the situation under which we are operating now in Montreal is exceptional. That is my



personal experience. I do not think a police chief has been free, like myself, for years and years—I am not a Police Chief, but the Assistant Police Chief.

Mr. LEDUC: Are you aware that several years ago the late Senator Athanase David, who was chief secretary for the province of Quebec moved a bill to legalize national lotteries subject to the amendment of the Criminal Code?

Mr. PLANTE: Yes, there is definitely a strong feeling, as far as I can gather in Montreal, and I would say in the province of Quebec, in favour of lotteries. I feel it. That is because the people are not educated about this matter. They are misinformed and they should be educated along better lines. They should be told why those who oppose lotteries take the attitude which they do. Emphasis should be placed on the deteriorating effect it has on society as a whole, that is, gambling in any form. It is one of the strongest passions, of course. I could give the committee all kinds of examples of the effect it has had in the city of Montreal. I was speaking not so long ago to the general manager of a very large bank and he said "we are so happy about what you are doing and you can count on our backing". He added "I am a very broad-minded man—a man about town—and it is not a question of morality in the small sense of the word. But, as far as enforcement of the law concerning gambling and bookies is concerned, I am all in favour of it because we have lost I don't know how many of our best employees who have borrowed money from time to time out of their cash in order to place a bet on a "sure thing"."

There were sellers in the city of Montreal who went to the offices soliciting bets and many were caught. The same thing was said by the manager of a large milk distributing organization. He said that, before the enforcement of the law in the city of Montreal, he had had all kinds of trouble with his drivers. They were always "short" in their daily cash. And then the wife would telephone the company to say "can you withhold my husband's pay cheque?" I think I can give the committee the name of this gentleman—his name is Mr. Bertrand of the Co-operative des Laitiers de la Province de Quebec—which is a very large organization. He said "the situation is wonderful now. I don't know how many of these fellows have bank accounts and we don't get any of those frantic calls from mothers and wives any more".

If there were an educational program which would tell the people that they are playing with fire, in some ways, it would do a great deal of good in my opinion. Gambling is one of the strongest passions, as I said, and it does not bring the country anything. It does not produce anything. It just takes money from somebody else. It does not produce anything at all.

The PRESIDING CHAIRMAN: It takes from a great many people to give to a very few.

Mr. PLANTE: Absolutely. It is always to the detriment of the loser. On this subject I can speak from personal experience, and I can give names to the committee. It has attracted the scum of the country. We are getting rid of it and I have a list of hoodlums in the city of Montreal who are now trying to hide behind the chartered clubs. That is the only flaw in the law in my opinion—this amendment in 1938 by means of which they can take a rake-off of 50 cents a day. You can imagine that in the city of Montreal at the present time we have approximately 30 of these chartered clubs that take advantage of the amendment to conduct illegal gambling and the moment you clamp down on them. . . .



Members of the committee will understand that the police cannot enter officially. The members of the club know one another and they only let in people they know, and, in order that the police may make a case, it is necessary to prove that there is a rake-off, and when the police are there there is no rake-off, obviously, or they will carry on on this 10 cents an hour basis. The officer who is there cannot always be stopping a game and asking "what is this 10 cents for?" But as the racketeers we have and the gaming houses we have in the city of Montreal, it has been legally proven before Mr. Justice Caron that they were racketeers, and these are the same people who are now controlling these chartered clubs, 30 of them.

These represent our number one problem in the city of Montreal now.

Mr. LEDUC: One last question, Mr. Plante. Did you read the pamphlet by Mr. Leon Trepanier, formerly a member of this House and an ex-alderman of the city of Montreal, in favour of national lotteries?

Mr. PLANTE: Yes. I may say that the provincial government has itself passed a law, which has not been sanctioned, favouring lotteries.

Mr. LEDUC: Do you think he gave good reasons in this pamphlet?

Mr. PLANTE: That is not my opinion.

Mr. ROBERT: May I add a word about the Irish sweepstake? Tickets are being sold now, as we all know, across the country. I often ask myself if we—and not only the police departments but other departments—have done all that can be done to prevent such sales. If these tickets do enter our country—supposing these tickets are not counterfeit but genuine—they must enter or pass through customs somewhere and there are so many thousands of them that they would make quite a bulky shipment. How do these tickets enter our country? That is one problem. Secondly, by legalizing such a lottery or by organizing national lotteries or provincial lotteries, we shall not prevent the illegal sale of these foreign lottery tickets. Definitely not. On the other hand we shall certainly increase the demand for lotteries because the people who now buy Irish sweepstake lottery tickets would not stop doing so because they have bought a ticket in a national lottery. They will buy both, and even if there were three or four different lotteries they will take a share in every one of them. Therefore we shall create a greater demand and increase the number of lotteries instead of reducing it, and get no further ahead. I believe it would be a move in the wrong direction altogether. That is my view of this question.

Mr. PLANTE: I may say that I am absolutely in accord with Mr. Robert. Furthermore, when he asks how these Irish sweepstake tickets could have entered the country in such proportions that they could be stopped at the border by the customs, I don't think that there is any other answer: it is because there is a "fix" somewhere. Furthermore, many of these tickets are fraudulent, spurious. They are printed right here in Canada and I am very sorry that we have destroyed so many. I could have brought thousands of spurious tickets before the committee—tickets which were printed right here.

Mr. THATCHER: Are you suggesting that there is some government or customs official who has been "fixed" in order to let these tickets in?

Mr. PLANTE: I cannot believe that you can be so blind and so inefficient that these tickets—these bulky tickets—can come in without being detected. I cannot believe it.

The PRESIDING CHAIRMAN: They could be brought in as books or something else?

Mr. PLANTE: Drugs could be brought into the country also. It all depends on the vigilance you use.

Mr. THATCHER: You have no specific evidence?



Mr. PLANTE: No. But if any of my officers—if I provided them with enough means and men and facilities, of course... I would not accept from anyone of them that he could not stop that.

The PRESIDING CHAIRMAN: But you can bring in tickets. There is nothing wrong with that—bringing tickets into the country. It is when you sell them.

Mr. ROBERT: The law says “when you are in possession of a lottery ticket”.

Mr. THATCHER: It seems to me that, if what Mr. Plante states is correct, perhaps we should recommend to the Minister of Justice that his department should look into this matter because that is certainly a very serious charge in my opinion. Perhaps we should have an investigation of some kind.

The PRESIDING CHAIRMAN: Probably we could have some of the customs or National Revenue officials come here.

Hon. Mrs. HODGES: Do you think that if it were possible—I don't know how it would be possible—but, if there were no publication of the winners of these lottery prizes, it would be helpful from your point of view?

Mr. ROBERT: That would help. Publication of the prize winners makes more publicity and the more publicity you have for a certain thing the greater the demand for it will eventually be.

Hon. Mrs. HODGES: No one, of course, is trying to dictate to the press.

Mr. ROBERT: We know there is a certain amount of pressure for legalization of lotteries. But the members of this Committee will likely remember the reasons put forward in 1938 when the amendment to Section 168 was introduced. This amendment, as we know, permitted the collection of 50 cents per day for the privilege of playing a game of chance in so-called *bona fide* clubs, and at the same time legalized bingo games. It was at that time argued that the police had failed to a certain extent in the enforcement of the anti-gambling laws of this country and that we should have clubs in order to centralize gambling in one place to make enforcement easier. But you have just heard Mr. Plante tell you the problems that this amendment has created. Mr. Plante is not the only one who has a problem of that nature. The same thing exists in practically all major cities of Canada. In the questionnaire that we sent to the chiefs of police of Canada, for the preparation of the Canadian Welfare Council's brief, 16 cities indicated that so-called *bona fide* clubs were operating in them. In those 16 cities there are 123 clubs in operation under the terms of this section. Ten of these 16 cities stated that illegal gambling was being carried out in these clubs.

Now the same reasoning is being put forward in support of legalization of lotteries and the extension of the present laws. The supporters of wider gambling claim that if we extend the present laws and legalize lotteries, it will eliminate the problems we are now facing.

On the other hand, I feel, through my experience, that on the contrary we are going to increase it—it is very simple—I know some witnesses have inferred that the police departments have failed in the enforcement of the laws. If they have failed to enforce the law properly, do you believe that it will help if we put an added burden on them? Their position will be worse after the amendments suggested than it is today. As Mr. Plante mentioned, I strongly believe that those who are behind the pressure which is being put forward to have legalization of lotteries are interested persons. There are also very honest citizens who are in favour of lotteries; but they are misinformed and up until now I believe that we can all agree to the one point that we have only heard one side of the story. It is very seldom that you will read in the press or in any magazine of the detrimental effect lotteries and gambling have on society. I feel the suggested legislation would be a move backward.



Mr. BLAIR: Mr. Chairman, I wonder if I might make a comment on the question asked by Mr. Thatcher, on a point made by Mr. Plante regarding the authority of the Department of National Revenue in connection with the importation of Irish sweepstake and other sweepstake tickets. I cannot claim complete familiarity with this, but it is my understanding that there is nothing in the Customs Act itself which would particularly apply to the importation of these lottery tickets. So far as the Criminal Code is concerned, there is no specific prohibition against the importation of tickets. The crime is to sell or dispose of foreign lottery tickets in Canada or to advertise or in other ways promote a foreign lottery in Canada. It may well be that the responsibility for enforcing this law, as is indeed most of the Criminal Code, is a function of the local police forces and it probably is not considered that it is part of the duty of the customs officers to enforce a particular section in the Criminal Code.

Mr. THATCHER: If that is so, surely that is a weakness of the law which this committee should recommend changing. But, in the meantime, I do think that this committee should have either an official of the Department of Justice or an official of the Department of National Revenue come and tell us exactly what the picture is because what Mr. Plante said, and Mr. Robert, is shocking if there is such a thing as they suggested.

Mr. BLAIR: I regret that I cannot be absolutely dogmatic in my statement but I think this is the sort of thing which we should have an immediate opinion on. If it will help the committee, my opinion at the moment is that it has never been the function of the Department of National Revenue to deal with the prohibition of sweepstakes in Canada.

Mr. THATCHER: If they are illegal, surely the department should stop the tickets coming in.

The PRESIDING CHAIRMAN: They would come in under "printed material" I presume.

Mr. ROBERT: I believe that, if we could prohibit their entry into Canada, you would eliminate at least the sale on a large scale of all those Irish sweepstake tickets. That is my suggestion. I believe we should start right at the source of the problem.

The PRESIDING CHAIRMAN: Of course, you could have them smuggled in.

Mr. ROBERT: Yes, but as in any other type of smuggling, if it is prohibited to import them, a person would be liable to a sentence right off. Beside the police departments, you have the customs officers who would combat the same problem with which we have to deal.

Hon. Mrs. HODGES: As suggested to me by the Rev. Mr. Macdonald, they will probably print them in Canada.

Mr. ROBERT: You have a law prohibiting the printing of lotteries in Canada and if it is enforced you would not have that problem.

Mr. FAIREY: Might I ask a question at this point? By the fact that the name of a winner is published, would the police not be empowered or could they not legally arrest that person for having been in possession of a lottery ticket?

Mr. ROBERT: Yes, sir.

Mr. FAIREY: Is it ever done?

Mr. ROBERT: Yes. Do you know what fine would be imposed on him? \$25 and costs.

Mr. FAIREY: And the seizure of the prize?



Mr. ROBERT: No. We can only arrest him for being in possession of a lottery ticket. Therefore, if he wins \$50,000, it is going to be a big joke on the law enforcement body.

Hon. Mrs. HODGES: Are they ever arrested?

Mr. ROBERT: No. A good many years ago there was a section of the law which authorized the seizure.

Hon. Mrs. HODGES: There have been informers. I know there was a case in British Columbia years ago of an informer, but you do not hear of that these days.

Mr. THATCHER: The minute it is announced that a person wins a prize, you would confiscate it if you could?

Mr. ROBERT: Yes. If we had good strong laws against this very bad evil, I believe it could be and would be enforced. Prevent the legal entry and then give the police department the authority to seize.

The PRESIDING CHAIRMAN: I wonder if Mr. Plante could give us any information as to whether any person is receiving any amount of so-called payoff for the entry of these sweepstake tickets into this country. I am sure that the government would appreciate it very much. That person's job would be forfeited immediately and strong penalties would be imposed.

Mr. PLANTE: If I were asked to collaborate, I would first ask the customs officers if they were ever instructed to stop them at the border. If they were not and let them pass through then there is no payoff for them because you only pay off those people who render you a service. That I do not know about. I do not know whether their Minister or the law or anybody in authority over them has instructed them to stop them at the border. That is the first thing I would find out. But, where tickets are sold on a large basis, I have no reason to believe that there is not a payoff because we have been offered payoffs and unfortunately it is always done man to man. When a person comes to my office—I am a police officer and my office is open to everybody; that is how I learned so much about the underworld—the first thing they do is to make sure there is no microphone around. They stand in the middle of the room and tell you. There was the case of a little lottery in Montreal about hockey games which was willing to pay \$25,000 a year.

The PRESIDING CHAIRMAN: \$25,000 a year?

Mr. PLANTE: Yes. \$25,000 a year. It was a small one. And if I was authorized to tell you the name of a very high official in the city of Montreal I would, a man to whom one of the organizers went right after the election and he said, "We used to give from our little lottery \$25,000 a year to the blind. Unless you tell Plante to leave us alone, we will not be able to give the \$25,000 to the blind."

The PRESIDING CHAIRMAN: What did he mean, "give it to the blind?"

Mr. PLANTE: The blind association.

The PRESIDING CHAIRMAN: I wondered if there was some other meaning to that word.

Mr. PLANTE: No, the association for the blind; one of the associations, we have many.

Mrs. SHIPLEY: We had evidence to show that that was common practice by these racketeers in the United States, to give large donations to charitable organizations to cover up and to gain public good will.

The PRESIDING CHAIRMAN: Mr. Peterson gave us that.

Mr. PLANTE: Definitely.



Mr. ROBERT: Our own gangsters or racketeers have not invented anything. They are simply copying what goes on in the United States of America and trying to do it on this side of the border. We have the same problem which they have in the United States. It is on a different scale; but it is the same. The problem might not be as big as the problem they have in Chicago, New York City and other large American cities, but we have the same type of problem because whenever we meet at our international conferences and discuss general problems, we have the impression that they are talking about our own city; they are all alike.

Hon. Mrs. HODGES: I wonder what the attitude of both Mr. Plante and Mr. Robert is towards big bingos conducted by certain churches?

Mr. PLANTE: When I took over in 1947 there were 38 or 40 games going on every Friday in churches in the city of Montreal. One morning a municipal court judge said from the bench: "I see Mr. Pax Plante has made quite a few raids in the city. This is commendable; but will you please ask Mr. Plante when he is going to go after the curés who are operating bingos, and apply the same law." And he put his hand in his pocket, drew out a card, and said, "Here is an invitation from my curé sending me an invitation to attend his bingo." Of course, the newspaper man rushed to my office and asked me, "What are you going to do about it?" I went to the chief of police and said, "Here is my problem," and he said, "I told you, Plante, it is a big thing you have taken on. Your misery is just starting." How right he was. I said that I would have to do something otherwise we would lose face. I did not like to start on that phase of it, because I felt it was more urgent to stop the gambling houses than the bingos. But, he said, "Go ahead"; so I went to see the archbishop of Montreal and told him about this and I said to him "How do you feel about it?" and he said, "I am definitely against it, I have given orders but for some reason or other they were not carried out."

What we did was this. I made an investigation among certain of the curés and went to one and said, "What about your declaration to the press that last year you made \$40,000 out of your bingo?" He said, "The Criminal Code says 'occasionally' I can run those." I said, "Do you call that 'occasionally' when you have them every Friday and they bring in \$40,000?", and he said, "I have a million dollar church and I have to pay for it." I said, "Your archbishop is against it, are you going to stop it?" He said, "No." He advertised a big bingo from the pulpit. The archbishop told me, "Go ahead and stop it." The next afternoon I gave a press conference and said, "From now on nobody is going to run a bingo" and this curé said, "I am going to run one." That night I was in front of the church watching the people rushing into the church and I asked one of my lieutenants: "What are we going to do about it? If we arrest all these people, we will have 2,000 people on our hands, the curé and everybody." Definitely I was praying to God. This was a crucial moment, so I said to the lieutenant "Do we still have some old big black Marias in the department?" He said, "Yes, there is one", and I said "Call for it to come here slowly and run it slowly before the church." When it came it was not noticed. We called for another one, by the fourth one some small children noticed it and ran into the church saying "Come and see the police cars." You should have seen the people rushing out of the church. After that not only did we rid the city of Montreal without arresting anybody but in Quebec City Mr. Duplessis himself said, "This is enough" and it all stopped. I was fired in 1946 and it resumed again. But when Cardinal Leger came in he said there were to be no bingos for anyone.



Mr. ROBERT: For your information may I bring to your attention the letter dated March 17, 1953, we have received from Cardinal Leger. The letter stated:

You asked me why I interfered in the question of bingos. I have always believed that games of chance and other secular amusements should be forbidden on premises used for religious or educational purposes. It is well known that the people who make a practice of attending these games lose their sense of responsibility and neglect their duties. Thus mothers neglect their household duties to attend the bingo games where they think they will find fortune, and children who become habituated to making their living by depending on games of chance will not later accept the responsibility of earning their living by serious work.

For the above reasons, I have asked all priests in my diocese to forbid bingos in their churches and their schools.

Now, we have something similar from Archbishop Roy of Quebec. It is along the same lines except for one change. He warns against the danger of gambling and asks: "That members of the church abstain from games of chance which are forbidden by the civil law and which are of a nature to encourage a passion for gambling and an exaggerated appetite for gain."

That is a translation of a letter written in French. We also have an extract of the decrees of the 1949 Synod of Ottawa for the Roman Catholic church and one of the articles reads as follows:

It is expressly forbidden to tolerate any kind of gambling.

This is a direction to the parish priests.

It is permitted to have a raffle for articles—not for money—provided that permission has been obtained from religious and municipal authorities and that the prizes offered do not exceed a value of \$50. All civil regulations must also be followed.

There are some other things which do not pertain to this matter. I wanted to bring this out to show that we are not the only two persons in the province of Quebec who are against legalization of bingos. May I also mention that I made it a point to read very carefully notices of winners of various bingos that were held in the district and may I say that, what I stated when appearing before the committee last year, I can reaffirm it again, and that is: that 85 per cent of those that do attend bingo games are people who can least afford spending a few dollars a week. I know that the organizers of the bingo do consider that they have an average revenue of \$3 per person who attends a bingo game. That has been given to me a few days ago by a main organizer for a service club. They base their prizes on the probability of so many attending at \$3 a head.

Mr. FAIREY: There are big bingo games held here in the city of Ottawa sponsored by fraternal organizations such as the Kiwanis or Lions.

The PRESIDING CHAIRMAN: Not the Kiwanis.

Mr. FAIREY: Some of the service clubs anyway. Has there ever been any reason to acquaint them with the evidence you have given before this committee suggesting that it is not in the public interest for them to sponsor such a thing?

Mr. ROBERT: I would not want to answer that. I have no jurisdiction in this district (Ottawa). They have exercised quite a pressure on me over the last five years to organize bingos in our city (Hull) and I have always managed with the support of the police commission to turn them down and



we feel that our people are much better off. Before taking such a stand, we have questioned a lot of people such as storekeepers, bank managers and so on, and they all feel that it is against the welfare of the community.

Mr. PLANTE: Mr. Chairman, I have attended some of the bingo games. The sponsors say that the customers pay 10 cents a shot and that they cannot lose very much. That was wrong. I have seen hundreds of people play with five or 10 cards at a time.

The PRESIDING CHAIRMAN: I have seen it up to 12 cards.

Mr. PLANTE: So you see it is tremendous.

Mr. ROBERT: On the matter of bingos, since we came over here we have glanced through the newspapers and we can see that bingos are one of the easiest games to cheat. I will not name the city, but it says:

Police commission to probe lotteries here. Numbers game, fake draw exposed.

And it goes on. They are talking about bingos.

The PRESIDING CHAIRMAN: What do you mean? Do you mean that these persons who win these prizes are not legitimately the winners?

Mr. ROBERT: They are not always the legitimate winners.

The PRESIDING CHAIRMAN: Tell us how they do it.

Mr. ROBERT: It is done in various ways. They can be "fixed" with the main organizers if the bingos are organized by professionals. They can make it in such a way as to make anyone win because they know ahead of time what cards the selected winner is holding and they call the numbers which they want to call. They can also have a "fix" with the checker as they call him, the fellow who watches the players. In fact, if we read through here we have a number of examples.

Mrs. SHIPLEY: Are you speaking of Canadian cities at the moment?

Mr. ROBERT: Yes. All Canadian cities. This is one which dates back to December 1953:

"Winner unknown, address incorrect." This appears in the *Globe and Mail* of October 19, 1953. "Winner unknown, address incorrect." Belleville, October 18, 1953. It was reported from Brockville that Mrs. So and So of 205 Bridge Street, was the winner of a Studebaker car at a monster bingo. No. 205 Bridge Street here is a gentleman's side lawn and 205 Bridge Street West does not exist. There is no Mrs. So and So listed in the city directory and the Bell Telephone Company has no such name on its roll of subscribers. I have a whole list here.

The PRESIDING CHAIRMAN: What happens to the prize?

Mr. ROBERT: They are gone. They have taken possession of it. But, the winner has disappeared.

The PRESIDING CHAIRMAN: You mean a fictitious person has taken possession of it?

Mr. ROBERT: Yes.

Hon. Mrs. HODGES: You mean that the promoters of the bingo get the car back?

Mr. ROBERT: No. What I mean is that the "fix" is made in such a way that a determined person can win.

Hon. Mrs. HODGES: Quite, but would not the promoters get the benefit of that?

Mr. ROBERT: They may get a share.



Mr. MACDONALD: In some cases where a fictitious person is used they are connected with the promoters.

Mr. ROBERT: It is an easy game to fix, and it is very detrimental to the welfare of our community.

Mr. PLANTE: Mr. Chairman, I think I have found something which may interest the committee because it shows obviously how lotteries can be "fixed". There was in Montreal a lottery called "the Royal Five Way Action" and here I have a reproduction of one of the tickets and on the face of the ticket is printed "two winners guaranteed in every package of twenty cards". And this is based on the results of hockey games. How can they guarantee a winner in every package of twenty cards if the thing is not "fixed". I leave it to the members of the committee. This is in English and I would like to leave it with the committee.

The PRESIDING CHAIRMAN: What is the source of this?

Mr. PLANTE: It is a book which I published. It is my book, the title of which translated into English is "Montreal Under the Rule of the Underworld".

The PRESIDING CHAIRMAN: It is printed by Pax Plante. What is the date?

Mr. PLANTE: It was printed in 1949.

The PRESIDING CHAIRMAN: Is it an annual affair?

Mr. PLANTE: No, it was a study of vice conditions in the city of Montreal. It is mentioned in the brief.

The PRESIDING CHAIRMAN: To what page of your book are you referring?

Mr. PLANTE: Page 39.

Mr. BLAIR: Is this book not a collection of a series of articles published originally in a Montreal newspaper?

Mr. PLANTE: Yes. It was first printed in three sections. It was printed, and I was never sued for it. In the last article I gave the names of the top hoodlums of the city of Montreal. The first I mentioned is a millionaire. He is still very much alive and he did not sue me.

Mr. FAIREY: Is there an English translation?

Mr. PLANTE: No.

Mr. FAIREY: I was going to refer to recommendation number 4, Mr. Chairman. Is "forbidding the police to destroy equipment and laying upon the telephone company the obligation to take care that such equipment is not used for gambling" a good law to make?

Is it a good law to make the telephone company responsible for the use made of their equipment and is it reasonable to expect the telephone company to be responsible for the use to which their equipment is put once they have hired it out?

Mr. ROBERT: According to our Criminal Code, if any citizens commit an act knowing that they are assisting in the commission of a crime they are held responsible. It is on that principle that we have made this recommendation because we maintain that the Bell Telephone Company knows exactly what they are doing when they give a very elaborate system of communication to a gambling place. We can offer the Committee very conclusive evidence with regard to that. I believe that the Bell Telephone or telegraph communication systems know exactly what they are doing when they install a telephone and know for what purpose it is going to be used.

The PRESIDING CHAIRMAN: Supposing that I have a telephone and you have a telephone and I call you up, and call you a thief, and a blackguard and so on—which is all untrue; it would be defamation—do you think the telephone company should be held responsible?



Mr. ROBERT: I would not go that far. But I may point out that there is one case which I knew of where a representative of Bell Telephone had installed a very elaborate system in an old shed. It was well camouflaged and it was the main information bureau which was connected with race tracks in the United States. There was a direct telegraph line leading from a certain city in the States. It was going through Buffalo into Canada, and it was going over to that city. From that point it was distributed to Montreal and relayed to various other places. The telegraph company had installed the wire direct for these men and it was right into that shed. Bell Telephone came along and installed a very elaborate system of telephones in order that this information could be relayed to local operators.

The PRESIDING CHAIRMAN: Supposing, for instance, that I wanted to set up a centre for selling very cheap toothpaste and I wanted to do it by telephone. As you know, people are often asked to buy things by telephone. Would it be the fault of the telephone company...

Mr. ROBERT: As I stated, Mr. Chairman, when they do it knowingly—when they have knowledge that it is being used...

The PRESIDING CHAIRMAN: What I am getting at is that the telephone company provides these telephones. Do they know to what use these telephones are being put?

Mr. THATCHER: Surely, if they are putting wires into race tracks...

The PRESIDING CHAIRMAN: They don't. Supposing I am selling a cheap brand of toothpaste. There is nothing wrong with that.

Mr. THATCHER: I think the police chief has got a very good point.

The PRESIDING CHAIRMAN: If the telephone company knew for what purpose their wires were being employed, they should probably inform the authorities, but I am opposed to the tapping of wires.

Mr. ROBERT: So am I, sir.

The PRESIDING CHAIRMAN: Then how would you know to what use the telephone company's wires were being put?

Mr. ROBERT: Would you care to say a word on this, Mr. Plante?

Mr. FAIREY: I raised this question not because I do not think the telephone company which knowingly installed a telephone or equipment for illegal purposes should not be prosecuted; it is the idea of destroying their equipment which seems to me odd to understand.

Mr. ROBERT: We might have made a mistake on that. Our intention was to have the privilege, or the power to seize.

Mr. THATCHER: To let them be bought back again if they want to?

Mr. ROBERT: Yes. Let them be seized. The destruction would be ordered by the court.

Mr. PLANTE: I had to make a thorough study of this question in Montreal because at one time not so long ago about seventy-five large bookies were operating in the city. The nerve centre was 10 Ontario West, on the third floor, room 315 which I raided with my officers. What did we find there? First a telegraph wire, and there was an operator sitting at his little table, and he was receiving information over the wire. It was either a C.N.R. or C.P.R. wire, I do not know which one it was.

The PRESIDING CHAIRMAN: This was a telegraph wire, not a telephone?

Mr. CAMERON (*High Park*): In whose employ was this operator?

Mr. PLANTE: He was a part-time employee of one of those companies, doing it without the knowledge of the company.



The PRESIDING CHAIRMAN: He was a part-time employee of the telegraph company?

Mr. PLANTE: No.

The PRESIDING CHAIRMAN: He was not an employee of the telegraph company, and he did not operate with the knowledge of the telegraph company?

Mr. PLANTE: No, but the installation was made on the instruction of the superiors of the companies. I will tell you what it cost that group to operate: the rental of that wire cost them \$20,000 a year.

The PRESIDING CHAIRMAN: I think you will find this committee is very sympathetic towards this problem, but as a lawyer, Mr. Plante, you know the difficulties we are getting into. This is not a matter, so much, which affects just this branch of gambling, but if we were to curtail the telephone company in this realm we are going to have to curtail it in respect to stockbrokers and many other matters.

Mr. THATCHER: Why?

The PRESIDING CHAIRMAN: Because if it applies to one it applies to all.

Mrs. SHIPLEY: It is functioning in the State of California at the present time, so probably it is feasible.

The PRESIDING CHAIRMAN: If we can find a remedy whereby the telephone companies could be prohibited I would be all for it but let us not curtail the rights of legitimate business.

Hon. Mrs. HODGES: It mentions here "when known to be used by gambling syndicates".

The PRESIDING CHAIRMAN: But you don't know that they are gambling?

Mr. PLANTE: I must say that under this government...

Hon. Mrs. HODGES: You mean local government?

Mr. PLANTE: I mean municipal government. Under honest municipal government there is no difficulty with open gambling. It is clamped down severely. In the case of the chartered clubs, that is the only exception I know. When I was put in charge of the morality squad in 1946 these 70 bookies were operating with the wire. I went to the Bell Telephone Company, to the minor officials, that is. They said "well, you know that the bookies are tolerated by the police. Your police visit them every week. They make fake raids but they don't seize any telephones, and we have reached an understanding with the police that they should tell us when they are going to make a raid in order that we may disconnect the telephones. They inform us that there is one telephone there, though we know that there are ten. It is just a fake." They said emphatically "we are not law enforcement officers. What are we going to do in our position when there is open corruption in the police department. Don't you think you should clean up there first?" They were right.

From that time, personally, I have received the very best cooperation from the Bell Telephone Company in Montreal. I have had no difficulty. In an exceptional case I think they spent at least \$5,000 making research into telephone bills with regard to the Irish Sweep. As I say, they are very cooperative. They are very cooperative now, no doubt, because we went to the head. There was no doubt. They admitted it. I don't say the top officials but the lower echelons who were setting up the wire service knew very well. At number 10 Ontario West there was this telegraph operator and next to him he had one telephone. He had a little switch; he just had to press this and it opened up another 50 telephones. There were two categories of subscribers among the bookies. I said there were 70, but there were two branches of the

system for security reasons. The moment he switched this little switch he could speak to all the bookies who had a direct line. Some subscribers had to call there for information. I can tell the committee that some of the offices of the big bookies in the city of Montreal are larger than some which are used by our biggest brokers. I have one in mind which would be about twice the size of this room.

The PRESIDING CHAIRMAN: This room would be about 25 by 50 feet?

Mr. PLANTE: I would say 25 by 75 feet, 286 St. Catherine West. Harry Felman's place. I have a picture right here at page 18 of my book. That is a run board which is shown there. The operator has earphones and he can walk from one end of the platform to the other and write the results when they come in.

The PRESIDING CHAIRMAN: It looks rather like the stock exchange.

Mr. PLANTE: I do not know any stockbroker's room as big as that in the city of Montreal. The wiring and the organization of this set-up would certainly be done by the Bell Telephone Company, and in fact it was. I emphatically say that the chairman did not know nor maybe, the general manager or the top echelon. Take for instance Mr. Harry Ship. He was operating for the neighbours and also for a group of big clients and he even had a direct line during the war between his office and Toronto which was open around 11 o'clock. His telephone bill, on the average, was \$35,000 a year and he was not a big bookie. He was a medium sized bookie. One bank account established with the Bank of Montreal—and this was one bank account only—showed that he did a million dollar business. It is acknowledged by the lower echelon of the Bell Telephone Company. It was acknowledged at the time they knew about it, like everybody else in the city. Hundreds of thousands of people do not frequent bookies without these things coming to the knowledge of the police. After a week they knew of every disorderly house which was operating. The Bell Telephone Company said "how are we going to ask for cooperation if the police are as crooked as this?" and they were right. So we cleaned them up; now the bookies have gone underground. It is well known that they cannot thrive without telephone and telegraph lines. The first information comes over the wire. Some people would say "the newspapers also publish the results of the races so that those who want to bet may still get this information, and also information with regard to the horses which are going to run during the day and those which ran yesterday". That explanation could not be taken seriously by a turf man or anybody who has made any study of this problem, as I have done. It is important that the operator should know at the most precise moment what the condition of the track is and which jockey is going to be on a certain horse. This information is only obtainable at the last moment, and this is such a sheet, as I now hold in my hand, which is sold for 35 cents. This is dated the 26 of April. It is still new. I will open it. This, as I said, is sold for 35 cents. It is intended to supply information to the bookies. It is called a scratch sheet. On that sheet you can find the name of a certain horse and the name of the jockey who is going to ride it. It is very important to know what jockey is going to be on each horse, and the conditions of the track. The bookies must have a clearing house. Supposing that I am a bookie and a good client of mine wants to bet \$3,000 on "Man-of-War".

The PRESIDING CHAIRMAN: A dead horse?

Mr. PLANTE: Yes. I do not want to make any publicity for any live horse. The bookie does not want to refuse so big a wager, so he places part of it with other bookies. He must have a telephone in order to do this.



I have here a typical telephone bill for two months in respect of a house which we raided on Bleury Street and I submit to your committee that this firm asked for a telephone service. They had several telephones, and I took the bill of one service. It is yards long.

The PRESIDING CHAIRMAN: Is that one bill?

Mr. PLANTE: For one month for one telephone. Look at that account. There are calls to Saratoga, San Antonio etc., etc.

Mr. THATCHER: They must be selling toothpaste.

The PRESIDING CHAIRMAN: I see calls here to Birmingham, Alabama; Boston, Mass.; and so on.

Hon. Mrs. HODGES: What is the total bill?

Mr. PLANTE: This has not been totalled. One here totals \$4,870.95.

Hon. Mrs. HODGES: For one week?

Mr. PLANTE: No, this is for one month for one telephone.

The PRESIDING CHAIRMAN: That would suggest that their credit is very good.

Mr. PLANTE: You know what the Bell Telephone Company does with these fellows—and here, I say, is definite proof that they know. When the telephone bill runs that way, they will ask for a cash deposit of \$5,000 in advance. They do not do that in the case of the T. Eaton Company in Montreal.

Mr. THATCHER: They ask these fellows for money in advance?

Mr. PLANTE: It was the same for all the bookies in Montreal.

The PRESIDING CHAIRMAN: I hold no brief for any telephone company but would you Mr. Plante as a lawyer—and other lawyers are present in the committee and would probably like to question you on this—would you charge a man with murder just because he had a gun?

Mr. PLANTE: No, sir, but here was my reasoning with the Bell Telephone Company—I said that they are very co-operative, and I have no trouble with them now. Here is what I told them. “When a subscriber comes to you and asks you for so many telephones, do you ask any questions, because I understand you send your bills in only once a month?” They said “yes, that is correct”. I asked them whether they knew what the bill might run to before the month had elapsed. They did not know. I asked them if it would be possible, for instance, for me to use my telephone to phone all over the world without their knowledge. They said “you could run up a bill of \$50,000 and we would not know until the first of the month.” I said “all right, you must take some precautions before you let any phone, especially to organizations in the middle of the city and business firms which you do not know.” They said “oh, yes, we inquire at the bank. We make inquiries.” That is all right. There are firms which are known. There are firm names nationally known, but when somebody is asking, for instance, for five or six phones and they know they can run up maybe a bill for long distance calls of \$75,000 it would be a serious matter. I put this to them and they said “yes, we make an investigation but we cannot imply that anybody is dishonest until we have some proof.” I said “okay. So for the first month you are satisfied with the preliminary investigation. But supposing in the second month you see they are running a bill for thousands of dollars, what do you do about asking them about what kind of business they are running?”

The PRESIDING CHAIRMAN: Just on that point. Supposing now that I go in somewhere to buy—to use our former illustration—toothpaste. Is it any of your business what I am going to use the toothpaste for?

Mr. THATCHER: You would not be going to Alabama.

Mrs. SHIPLEY: It would be if the company had some responsibility to those who rented equipment and so on.

The PRESIDING CHAIRMAN: What is your opinion, Mr. Mitchell?

Mr. MITCHELL: I can't go along with the toothpaste deal. As far as I am concerned this is merely a matter of proof. Once it is proved, the Bell Telephone Company are in a bad spot. Mr. Plante has said that there has been co-operation. If they have been supplying all these bills over a period of time, it is surely an obvious inference that somebody in that organization knows.

The PRESIDING CHAIRMAN: How do you know what the calls are for unless the wires are tapped?

Mrs. SHIPLEY: How many guesses would you need?

The PRESIDING CHAIRMAN: I tell you, Mrs. Shipley, I am a lawyer not a clairvoyant and I don't know.

Mrs. SHIPLEY: Apparently a proposal has been worked out in at least one of these states in the United States and there must be some legal way in which action could be taken and I think we are wasting the time of the committee in arguing about it. I would like to hear the evidence; we can argue later.

The PRESIDING CHAIRMAN: I go along with that.

Mr. BLAIR: What is the nature of the California proposal?

Mr. ROBERT: The secretary has gone out, and I think he has got the material with him. (*See Appendix*). However, I have a clipping from a newspaper here which I will read.

Attorney General Herbert Brownell asked Congress for legislation banning horse and dog race bookmakers from using interstate communication facilities to obtain gambling information. The measure, which carried no penalties, is designed to give communications companies legal grounds for refusing service to professional gamblers. Legitimate news reporting of sporting events is not affected.

Article 171, subsection 6, (Criminal Code of Canada) reads as follows:

Subsection 6: Nothing in this section or in section 431 authorizes the seizure, forfeiture, or destruction of telephone, telegraph or other communication facilities or equipment that may be evidence of or that may have been used in the commission of an offence under section 176, 177, 179 or 182, and that is owned by a person engaged in providing telephone, telegraph or other communication service to the public or forming part of the telephone, telegraph or other communication service or system of such a person.

That is why we recommend that subsection (6) of section 171, be deleted from the Code so that the police departments may seize telephones and bring them into court, and let the court decide exactly the good fate of the company. I believe I mentioned last year that when telephone service was scarce, in 1946, I believe, and at a time when we could hardly get a line, Mr. Plante seized 45 telephones in one gambling house. The public could not get any.

Mr. PLANTE: That is right.

Mr. BLAIR: Is the suggestion that, if this exemption against seizure is taken out of the Code, this will induce the telephone companies to be more careful?

Mr. ROBERT: Exactly.

Mr. PLANTE: Mr. Chairman, there is a specific problem there. I am not in favour of the destruction of the equipment, and although we have seized hundreds of telephones, we have never destroyed them, and have always given them back to the telephone company, and their big difficulty was that it cost about \$1,500. But here is the point; under the present Bell Telephone adminis-



tration in Montreal, you are not allowed to touch them. I said, "Wait a minute, if I make a raid on a bookie. I should seize the telephones." They said, "You cannot seize them because they are not convicted yet." I said, "But it is their life line. We are there to make a raid and arrest everyone, and we will not destroy the phones." They said, "That is the law." I said, "I think you must have had very good representatives when the law was passed. We are going to ask for help from parliament,"—and this is the help for which we are asking. They say, "We will cooperate with you providing that you will leave one telephone, and if there are ten phones, you will seize nine and leave one there."

I said, "Yes, that would leave the place alive—they cannot operate without a phone."

I am not asking for permission to destroy phones, and I have never destroyed any. I suggest that we be allowed to seize all these phones, and if it should be a legitimate business, we would lose our case. We poor little police officers; we represent the city of Montreal. They do it from time to time—people are arrested for nothing, and the city has to pay the damages.

The PRESIDING CHAIRMAN: Probably we could get along now from the telephones, since the telephone company is not under investigation at the moment. Before we proceed, however, Mr. Blair has a statement.

Hon. Mrs. HODGES: Should we not change the brief; it says, "Destroy equipment."

Mr. ROBERT: Yes, to give authority to the police department to "seize." Page 7, paragraph 3 of the brief should be changed by inserting the word "seize" in place of "destroy".

Mrs. SHIPLEY: Perhaps you would be good enough to leave a copy of the California Act with us?

Mr. PLANTE: I do not have one.

Mr. ROBERT: Mr. McGrath tells me he left it in the office, but I have a copy, and I will be pleased to let you have it.

Hon. Mrs. HODGES: I was wondering if it could be incorporated in the minutes?

Mr. BLAIR: We could append it to today's testimony.

The PRESIDING CHAIRMAN: Agreed. (N.B.: The Appendix is a decision before the Public Utilities Commission of the State of California and not a formal bill of legislation).

Mr. THATCHER: May I rise on a point of order? Is it possible for us to obtain a committee room and hold another meeting?

The PRESIDING CHAIRMAN: Mr. Thatcher, if you knew what difficulty we encountered in obtaining this committee room for this morning's meeting, you would not have asked that question. I might tell you that we had to have another committee cancel its meeting.

Mr. THATCHER: I was afraid of that.

The PRESIDING CHAIRMAN: We had to have another committee cancel its meeting in order to have our meeting this morning. It was suggested by me that we meet in the government lobby, but that presents another difficulty in that while we might meet in the government lobby—there is no objection to that—but there are not enough reporters available to take the evidence that we are receiving now. There are no rooms available. We could probably go on until one o'clock.

Mr. PLANTE: Yes, Mr. Chairman, I think the California law says that known gamblers should not be given telephone service. I strongly recommend that a similar law be incorporated, and if that is done—if it were passed immediately, for instance—I think I could supply the Bell Telephone Company

with a list of the names and addresses of 100 top gamblers. These are people who have done nothing in the last 15 years but to organize gambling, conduct disorderly houses and operate as bookies in particular. We could supply proof of that. In the Caron report for instance, we had 40 of them who came and admitted that they had run a gambling house for 15 years, and were never arrested. Why? They said "ask the police", and the police said "ask the city hall."

The PRESIDING CHAIRMAN: If we could leave the discussion of telephones for a moment—

Mr. MONTGOMERY: I understand that most of the evidence given by Mr. Plante refers to the city of Montreal. Do you have information that similar establishments are being conducted in all of the large cities in Canada?

Mr. PLANTE: No, sir.

Mr. ROBERT: May I answer that, sir?

Mr. PLANTE: All right.

Mr. ROBERT: I have. Practically all large cities in Canada have the same problem.

Mr. MONTGOMERY: I take it from what you say that you are quite satisfied that the police are encountering the same problem and would support this request?

Mr. ROBERT: Definitely, sir.

Mrs. SHIPLEY: Chief, you do not mean in such widespread manner—surely it is a little more underground?

Mr. ROBERT: In some cities where the police departments are honest and do fine jobs, and the city halls are doing everything they can to support their police departments. There is no doubt about it—it is very sound administration—but they run up against the same problem, because of loopholes left in the laws, such as this one in the section we have just mentioned, because gamblers have the facilities to have telephone service and communication systems. If they did not have them, they could not survive at all. That is why we are aiming at this so strongly, because we want to take the life out of the gamblers.

Mr. BLAIR: I wish to revert to the problem raised earlier regarding the importation of sweepstake tickets. In the interim, we have now had an opportunity to consult with the Department of Justice and the Department of National Revenue, and I can confirm, that at the present time under prevailing custom laws, sweepstake tickets are not prohibited goods, and therefore there is neither an obligation nor a right in the Department of National Revenue to interfere with their importation.

The PRESIDING CHAIRMAN: Would you like to proceed now?

Mr. BLAIR: I wonder if I could make another statement? With regard to telephones, some members of the committee might recall that four years ago, the government introduced a measure which was designed to check the use of telephones by bookies. This was a measure proposed originally by the province of Ontario, and as I recall it, it proposed that automatic counting machines be installed in various telephone exchanges attached to particular telephone numbers, which would enable telephone calls to be checked, as it were, from the "front end" bookmakers to the "back end" and thus to the big men behind the scenes. I very well remember the day when this measure was introduced into parliament. It was laid before the House and there was an eruption and the measure was immediately withdrawn because it was felt that this was an interference with the rights of communication which could not be tolerated.

The PRESIDING CHAIRMAN: What do you mean, an "eruption"?



Mr. BLAIR: A very violent reaction to it from, I gathered, all sections of the House. It was an unwelcome piece of legislation because it was considered to interfere with the free rights of communication.

Mr. MACDONALD: I would think that type of legislation should be opposed but we are not asking for that. We were asking only for the right by the deletion of this particular section to take away certain protection which the telephone company equipment now has, which is a different matter.

The PRESIDING CHAIRMAN: I am tempted to get back into a discussion of telephones, but could we pass on to something else?

Mrs. SHIPLEY: I have one question I would like to ask in reference to chartered clubs. You appreciate probably more fully than we do that there is no point in enacting a law which the majority of the people do not support because it will not be enforced. Chartered clubs, as I understand them, could be and sometimes are clubs owned and operated by highly respectable citizens who perhaps only conduct bridge.

Mr. ROBERT: Yes.

Mrs. SHIPLEY: I played in one on several occasions in Vancouver. Now, if we adopted your proposal would it eliminate that type of charter as well?

Mr. ROBERT: No, it would not.

Mrs. SHIPLEY: Would you tell me the difference?

Mr. PLANTE: We are just asking that they do not take the 10 cents an hour or the 50 cents a day; that is all.

Mrs. SHIPLEY: If you pay a monthly fee or a yearly fee, would you permit that?

Mr. PLANTE: Absolutely, madam. In the city of Montreal we have at the present time approximately 150 chartered clubs and they make a great contribution to our city. We have never had any trouble with them and no one has ever said, "I have been robbed there," or "I played a game of cards and I took a rake-off." We have had no trouble with them whatsoever but only with chartered clubs operated by known gamblers. I could give you names; I have plenty of them—where they have these charters, these pieces of paper.

Mrs. SHIPLEY: I fully understand that, sir, but my concern is how do we amend the law so that you can get after the racketeer and leave the legitimate people alone?

Mr. ROBERT: Just delete the proviso in section 168 from the Criminal Code and the problem will be solved automatically.

Mrs. SHIPLEY: That section says that they are permitted to collect so much an hour or a day?

Mr. ROBERT: Yes. A real and genuine club—as we have in many cities—

Mrs. SHIPLEY: Surely.

Mr. ROBERT: —anyone can enter there. A group of friends can play poker if they wish to and there is nothing illegal about it. We do not wish to interfere with the honest citizens, but we do wish to interfere with those who are making a living out of it.

Mrs. SHIPLEY: I wholly understand that, but I did not know enough about it to understand whether or not it would affect the legitimate people.

Mr. ROBERT: No, we do not wish to go that far.

Mr. BLAIR: Any more questions, Mrs. Shipley?

Mrs. SHIPLEY: No.

The PRESIDING CHAIRMAN: Mr. Fahey?

Mr. FAHEY: No.

The PRESIDING CHAIRMAN: Mr. Cameron?

Mr. CAMERON (*High Park*): The question that I would like to have some clarification on is what is your distinction between a lottery and a raffle? You recommend that lotteries be prohibited and in another part of your brief you say that when running raffles for charitable or other non-profit purposes you should be required to register with the municipal authorities.

Mr. MACDONALD: We are concerned about a national lottery. When we mention raffles, we are mentioning the charitable bazaar type of thing, agricultural fairs, churches, and that type of thing.

Mr. CAMERON (*High Park*): One of the big problems is the fact that there are *bona fide* organizations who decide they want to raise some money for a charitable purpose, and they will offer a car or a motor boat, or a house as a prize. The idea being they can spread it over a large area, and sell tickets at 25 cents which provides an opportunity for winning something that is worth between \$2,000 and \$20,000. Various police officers who have been here have suggested that this is something that does not seem to offend the moral feelings of the community, and in a good many cases, the police or the Crown attorney will not interfere unless someone says that so and so is doing something illegal, and then you will do something about it. How do you solve that problem?

Mr. ROBERT: The only way to solve that problem is to keep the price very low.

Hon. Mrs. HODGES: The price or the prize?

Mr. ROBERT: The value of the prize should be kept low, if you raise the value of the prize to that of a car, you are going to have the criminal element moving in on this very genuine or legitimate organization.

Mr. CAMERON (*High Park*): But people do this, and that is the point I make. The value of the prize is very much in excess of what the Code permits, and yet the general feeling in the community does not oppose the idea, and the police officers do not move in at all?

Mr. ROBERT: May I point out that there are several factors which have to be considered. Sometimes the police departments are in a very handicapped position, because they have been requested not to do so, and secondly, those that do permit the thing in question are very prominent citizens. I believe that the whole problem started in 1938 with the adoption of the amendment to section 168 making chartered clubs and bingo games legal with no limit whatsoever for charitable organizations occasionally held and so on—you know the type. Police officers have tried to make cases against charitable organizations that were overdoing it, but they have lost their cases in court on account of that section. The war came along in 1939, and all the police departments were understaffed, and unless some pressure was brought to bear on them, they overlooked this type of thing, because they had other and more important work to carry on. Automatically it grew up and snowballed, and there was a certain competition which existed with the result that today police officers do not know where they are at.

A raffle, let us say for a car—does it come under section 179—that calls for a raffle of \$50—or does it come under section 168? You see, there is always a misinterpretation, and a doubt exists in the minds of the police officers. I have interviewed many of them, and asked them what they have been doing. They say, “Well, we do not know whether it is a game of chance or only a lottery or a raffle.” The two sections are connected. If we do away with the amendment that was brought in in 1938, we would automatically ban bingos and fee charging by clubs, and the only thing left in Code to authorize raffles would be section 179 and the prize would be limited to \$50. You may say that there is a certain group of people who would like to have larger prizes, but



the problem is quite different in the rural districts and city districts. In a rural district, I know that even if a car is raffled, there will not be any trouble if this happens once a year, but in the city, approximately 50 raffles for cars will be taking place at the same time, and if the police are not efficient, or do not perform their duty with minor things, how will they be able to do it when they have a large burden on their shoulders? It would be impractical; impossible, in fact. Therefore, that is why we do recommend doing away with section 168 concerning bingos and so on, and leave section 179 as it stands now, and I believe our whole problem will be solved. I know that in order to make general laws, you have to hurt someone, but may I say from my own experience that the majority of our citizens are strongly opposed to raffles, gambling and national lotteries.

Mr. BLAIR: Just to clarify this question. Chief Robert has been talking about two sections of the previous Criminal Code. Section 226 (new code section 168) is the section which deals with gambling houses and gambling and it contains a proviso in favour of chartered clubs and in favour of the occasional use of premises for charitable purposes. Section 236 (new code section 179) is the section which deals with lotteries and the exempting provision under it permits small raffles with prizes up to \$50.

Mr. FAIREY: Would it be in order, Mr. Chairman, to suggest that the evidence given by Chief Robert be amended so that the numbers he has given are changed to the numbers in the present Criminal Code? Could that be done either by our counsel or by someone else?

The PRESIDING CHAIRMAN: Yes, I think that could be done. What we are trying to do now is to find out what this recommendation is. As I understand it, the suggestion is that we should eliminate the section of the code which provides for these chartered clubs and occasional games, and retain the section which provides for a lottery up to, say \$50.

Mr. ROBERT: Quite.

The PRESIDING CHAIRMAN: Is that clear now?

Mr. CAMERON (*High Park*): Might there be any real difficulty in distinguishing between a raffle and a bingo?

Mr. ROBERT: A bingo game and a raffle are quite different.

Mr. CAMERON (*High Park*): Do you not think that your evidence would indicate that maybe those peace officers were just looking for a way out?

Mr. ROBERT: Probably they have been deceived so many times by various judgments and various interpretations of the law.

Mr. CAMERON (*High Park*): That raises the question of the evidence given by Chief Mulligan of Vancouver—that was one of the things which caused a very great deal of concern in connection with these raffles and things of that kind because the general public did not really support the police when they prosecuted. Unless someone—what you might call a “hair-shirt” sort of an individual—brought pressure to bear they closed their eyes to it.

Mr. PLANTE: It is all right, sir. We will find those cases. As I have mentioned already, I believe we are responsible to a certain extent for not having educated our public in the past. If we had told the public exactly what the social consequences of gambling were, we would have had better results in the past.

Mr. CAMERON (*High Park*): Is it your reasoning that once you eliminate these chartered clubs and the privileges which they have, and the occasional

bingo games, you can turn around and say to the general public "you see what we have done to the chartered clubs. You see what we have done to the bingo. Keep strictly within the law, otherwise we shall be down on you."

Mr. ROBERT: Exactly. If we do eliminate those things, we shall relieve our police department of a lot of extra work which they have at the present time. If we should simply change the limit and say "we shall increase it to \$1,000" we are going to have not one or two raffles in a town, but 15, 20, or 50 according to the size of the city, going at the same time. Members of the committee can imagine what kind of police force we would have to have in order to see that the law was actually being respected by each group. In a city the size of Montreal a total of 25 to 30 men would probably be needed to cope with this problem alone, because there would probably be 100 or 200 of these affairs going on at the same time. It is my impression that if we have failed to a certain extent, it is due to lack of education. We have only let the other fellows claim it is a good thing for the public, knowing it was against the welfare of the population.

The PRESIDING CHAIRMAN: You only publicize the gains. You don't publicize the losses to the people who participate.

Mr. ROBERT: Definitely. There has never been any concerted effort to get right down to the root of the problem which we are now facing, but of course we don't want to take full responsibility. There was the war and so on and it got out of hand so much that now the police departments are really facing a problem which they cannot solve.

Mr. MACDONALD: We have never had an assurance before as to what is the official situation of the Roman Catholic church, but now we have from Cardinal Leger, Archbishop Roy of Quebec and the Diocese of Ottawa letters and indications that they are supporting the stand which this brief is presenting, namely, that there must be control of this gambling, and as far as the Roman Catholic churches and parish schools are concerned, bingo is no longer permitted in the diocese under their jurisdiction. That is not true of Ontario, but it is certainly true of Quebec and Eastern Ontario.

The PRESIDING CHAIRMAN: Part of the diocese of Ottawa is in Ontario.

Mr. MACDONALD: Part of it is.

Mr. CAMERON (*High Park*): Mr. Thatcher, I think it was, said something about confiscating the prizes won in the Irish sweep. This may be a very difficult thing to do because I understand that it is legal in Ireland, and the pay office is in Ireland. You cannot carry that out unless you have jurisdiction over it. There used to be a situation, I think, where a man who won a big prize went to a neighbour and made an arrangement by which the neighbour informed on him. The prize would be passed to the neighbour and subsequently handed over according to the previous understanding between them. However, I don't think you could confiscate the money unless the money was actually paid over in the Dominion.

The PRESIDING CHAIRMAN: You mean in Canada?

Mr. CAMERON (*High Park*): Yes, in Canada.

Mr. PLANTE: Following certain raids in Montreal in connection with the Irish sweepstake—three weeks afterwards, I think—there were two winners of large amounts in Montreal, and all the Press asked me what I was going to do about it and whether I was going to seize the money. We knew where the money went because the picture of the winners appeared in the papers. I did not seize it. I felt that if I had done so the people would have definitely disapproved and that it would have ridiculed the police department if we had seized the money. To my way of thinking these tickets had been sold because



they had been admitted into the province; they had been admitted into the city because there was no enforcement of the law, and I think it would have been unfair to seize the money. But I would recommend very strongly that the newspapers should be restricted in making such a "bally-hoo" about the winners.

Mr. CAMERON (*High Park*): How could you do that? You might ask them to do it, of course. I notice that it used to be quite common, when a person was going to be executed in my own city for the newspapers to give many details about his last breakfast and so on. It made headlines. It was suggested to the newspapers that this was not a good thing to do, and now you only see a very short notice. I think that has been very beneficial.

Mr. ROBERT: It is a great improvement, and that could be applied also in the case of lotteries, raffles and sweepstakes.

Mr. CAMERON (*High Park*): It might be a good thing not to pass a law that they should not do it—for that would be tantamount to inviting them to do it—but to ask them to give less publicity to these cases.

Mr. PLANTE: So much so that I know several papers—and big papers—in Montreal who did not give any publicity at all to these last winners. Only a few papers publicized it this time.

Mr. BLAIR: Mr. Cameron really asked the question which I was most interested in—reconciling the first and the third recommendations. As I understand it you are proposing simply that the only exemption in favour of raffles or lotteries should be the present \$50 exemption under section 179?

Mr. ROBERT: Yes.

The PRESIDING CHAIRMAN: Mr. Montgomery, have you any questions to ask?

Mr. MONTGOMERY: I have no questions. I think the matter has been fully discussed.

The PRESIDING CHAIRMAN: Are there any further questions by committee members? If not, is there anything which members of the panel would like to add?

Mr. MACDONALD: We thank you very much, Mr. Chairman and members of the committee, for receiving us as well as you have. We simply hope that the full recommendations which we have made will receive serious consideration by the committee.

Mr. BLAIR: It may be helpful if we had a few further particulars about the survey conducted by the Welfare Council, which was mentioned in the opening paragraph of the brief. I would like to ask, in addition to the questionnaire what other follow-up was made in contacting chiefs of police and what type of cooperation was received in getting frank answers from them?

Mr. MACDONALD: I think, Mr. Blair, this information is given in appendices A and B.

Mr. ROBERT: No. It is not included in our brief.

Hon. Mrs. HODGES: Can we include it?

Mr. MACDONALD: Some of the information was confidentially received.

Mr. ROBERT: In order to get a very complete picture, we made it clear to the chiefs of police and other recipients that their names and the name of the city concerned would not be divulged or mentioned to anybody.

Hon. Mrs. HODGES: What names are given?



Mr. ROBERT: Some of the names may be mentioned. Anyway, they all feel that we based our brief on the findings of this questionnaire which was addressed to the chiefs of police and also to directors of provincial correctional services and the directors of prisoners' aid societies. One point which I may mention is that they all say that gambling and lotteries are a factor which contribute to crime.

The PRESIDING CHAIRMAN: How many contacts did you make on that subject?

Mr. ROBERT: Twenty-six major cities.

The PRESIDING CHAIRMAN: I would like to ask a question of Mr. Robert. Was it a majority opinion?

Mr. ROBERT: Oh, yes, definitely. Pretty well all of those twenty-six were in agreement. They were split up on some of the answers, but the majority of them were strongly in favour of the recommendations made in our brief.

The PRESIDING CHAIRMAN: Is there anything else you would like to add in finishing this off, Mr. Robert?

Mr. ROBERT: To clarify the position: we received this information in confidence from the police chiefs of Canada.

The PRESIDING CHAIRMAN: You are relatively confident that you got full and frank information from them?

Mr. ROBERT: Oh, yes.

Mr. McGRATH: We had the advice of many of the groups who normally work with us, such as the Welfare Council, the John Howard Societies family agencies, and so on, and their general thinking is incorporated here as well. The chiefs of police do not normally work with us. That is why there was a separate approach to them, but the general approach is also incorporated in the brief.

The PRESIDING CHAIRMAN: The evidence which was obtained from your questionnaire is incorporated in the brief submitted?

Mr. McGRATH: Yes.

The PRESIDING CHAIRMAN: If there are no further questions, then on behalf of this committee I wish to thank the gentlemen who have appeared before us for their most interesting and informative presentation. I know that we shall profit very much by what they have given us and on your behalf I extend our sincere appreciation to them.

EXCERPT FROM DECISION No. 41415 BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA (DATED APRIL 6, 1948).

... Respondent utilities in this case, so far as they were present at the hearing, indicated that their companies had no desire to furnish service for illegal uses and, almost unanimously, they indicated willingness to remove or refuse service whenever a bona fide law enforcement agency instructed them to do so. However, they further contended that they were no policemen and it was without the scope of their authority to attempt to specifically police their subscribers in an effort to determine whether or not the facilities were being used for illegal purposes.

Another problem concerns the question as to whether or not a utility may be held liable for damages in an action brought by a subscriber to or applicant for service in those cases where the utility has discontinued or refused to extend service to such subscriber or applicant and, in this connection, it is the position of the utilities that they should not be subjected to any rule which would force upon them such actions for damages. We are well aware of the



position of the utilities in this matter. However, it is our view, in the light of the evidence adduced in this matter, that certain lawful steps can be taken by the utilities which will curtail the use of their facilities by bookmakers.

From the foregoing evidence, we find that bookmaking is being conducted throughout the State of California on a large scale and, in order to conduct successful bookmaking, the operators thereof must have information in excess of that which can be obtained through regular news and radio channels. Accordingly, there has grown up a specialized wire service which has for its principal purpose the dissemination of detailed racing information within a matter of minutes after the occurrence of the actual events. This information includes details of the track conditions, betting odds, jockey changes, and other facts occurring immediately prior to the running of the race, a description of the running of the race and the results thereof. These wire services sell this information to bookmakers who, in turn, use it in conducting their business. We, also, find that successful bookmaking cannot be conducted without access to these wire services or without access to telephone facilities.

We further find that it is in the public interest to require communications utilities to refrain from furnishing or continuing to furnish any telephone or telegraph service that will be or is being used in furthering bookmaking or related illegal activities. The use of communications facilities in furtherance of bookmaking being illegal, it follows that such use is contrary and detrimental to the public interest. Additionally, the evidence shows that, as of January 31, 1948, there were held by the fifteen largest telephone companies operating in this State 241,248 applications for telephone service, that could not be filled because of lack of instruments, facilities and materials. This situation makes it imperative that all communications instrumentalities and facilities be employed in the public interest.

The right of a person to utility services, such as telephone and Telegraph, is not an inherent right but is due solely to the fact that the State, in the exercise of its police power, has seen fit, under the provisions of the Public Utilities Act, to require the utility to serve the public without undue or unreasonable discrimination. It, therefore, must be concluded that the State, having the authority to compel a utility to render service, has the authority to impose conditions under which such service may be furnished or terminated. (See *Partnoy v. Southwestern Bell Telephone Co.*, Missouri Public Service Commission, June 13, 1947, 70 P.U.R. (N.S.) 134.) It is established by statute in this State that a telephone or telegraph company is not required to accept messages which will "instigate or encourage the perpetration of any unlawful act." (Section 638, Penal Code.)

It is the positive duty of a communications utility to exercise vigilance to prevent the unlawful use of its instrumentalities and facilities. Such utility exercises a valuable and extraordinary privilege and, in turn, incurs corresponding obligations to the public. Surely, one of its highest obligations is to exercise vigilance to see that its instrumentalities and facilities are not used in aiding and abetting the commission of crime. We are not so naive as to believe that any such installations should be scrutinized very carefully by the conduct their business of disseminating racing information without general knowledge as to the activities of their customers. The evidence in this case shows that some of the users of these wire services are engaged in bookmaking. The evidence further discloses instances of multiple telephone installations, which installations are aiding the activities of bookmakers. Therefore, we believe that any such installations should be scrutinized very carefully by the utilities furnishing the services and that additional installations should not be made without careful inquiry as to the nature of their use.



It is the conclusion of this Commission that communications instrumentalities and facilities should not be furnished to persons, who will use them for bookmaking or related illegal purposes; nor should they be furnished where there is strong evidence to indicate that the use will be for such illegal purposes. Neither should the furnishing of such instrumentalities and facilities be continued where reasonable cause exists for believing that such facilities are being so used. There is a duty resting upon communications utilities to refuse installations or to discontinue service when these conditions exist. There is a further duty on the utility to make reasonable inquiry as to the use of facilities and, in particular, this is true where the facilities are being installed in unusual circumstances.

#### ORDER

... IT IS HEREBY ORDERED that any communications utility operating under the jurisdiction of this Commission must refuse to establish service for any applicant, and it must discontinue and disconnect service to a subscriber, whenever it has reasonable cause to believe that the use made or to be made of the service, or the furnishing of service to the premises of the applicant or subscriber, is prohibited under any law, ordinance, regulation, or other legal requirement, or it being or is to be used as an instrumentality, directly or indirectly, to violate or to aid and abet the violation of the law. (A written notice to such utility from any official charged with the enforcement of the law stating that such service "is being used or will be used as an instrumentality to violate or to aid and abet the violation of the law" is sufficient to constitute such reasonable cause). . . .